

FINANCE COMMITTEE MEETING MINUTES
of
February 27, 2017
OhioMeansJobs Summit County, JFS Conference Room
1040 E. Tallmadge Ave, Akron, OH 44310

Present Finance Committee Members: Jeff Bissell; Mark Derrig; David Prentice

Present WDB Chairs (By Phone): Sharlene Chesnes, Anthony Esposito

Area 2 Staff & Guests Present: Terri Burns - CFO, County of Summit Dept. of Job & Family Services (CSDJFS)
Daniel Grantham - Executive Assistant, CSDJFS
Christine Marshall - Deputy Director, Workforce Development Division, CSDJFS
Mark Milhoan - Fiscal Reporting Manager, CSDJFS
Brian Nelsen - Director, County of Summit Dept. of Finance & Budget (CSDFB)

A. CALL TO ORDER

- The meeting was called to order at 8:04 AM by Jeff Bissell, Finance Committee Chair, with an introduction of present Workforce Development Board (WDB) Finance Committee members, WDB Chairs, and Area 2 staff.

B. APPROVAL OF MINUTES

- Bissell motioned to approve the 1/23/2017 Finance Committee meeting minutes. The motion was seconded by Mark Derrig. The minutes were thus approved.
- Bissell asked Daniel Grantham to include staff and guest titles in the roll of future minutes.

C. REPORTS (SEE ATTACHMENTS 1-5)

- Review of Financial Reports as of 1/31/2017
 - i. Terri Burns expressed that the month of January 2017 saw limited fiscal activity. She anticipates a greater level of activity in February 2017.
 - ii. Burns presented the Revised Operating Budget as approved by the Summit and Medina Workforce Area Council of Governments (SAMWA COG/COG) on 1/25/2017.
 - Christine Marshall expressed that the revised budget was approved to include Medina County's new WIOA program obligation for On-the-Job Training (OJT) funding and Individual Training Account (ITA) funding.
 - iii. Burns presented the WIOA Administration (ADMIN) Budget Report. Per the advice of the Finance Committee the number of line items in the ADMIN budget have been reduced from 9 to 5, granting greater budgetary flexibility. Line Items were amended to the following:

LINE ITEM	BUDGET	DESCRIPTION
Salaries	\$215,000.00	Salaries & Incentives
Benefits	\$75,000.00	OPERS, Medicare, medical benefits, life insurance, Workers Comp
Travel Expenses	\$15,000.00	Travel & Conferences
Contract Services	\$100,000.00	Fiscal agent, audit, legal, related insurance
Operations	\$263,137.00	Office expenses, memberships, furniture, technology

D. OLD/UNFINISHED BUSINESS

- Discussion on SAMWA COG resolution to establish reallocation thresholds & purchase authorities
 - i. Burns opened discussion on a proposed SAMWA COG resolution to establish budget reallocation thresholds under which and within the WDB’s Finance Committee reallocation the Committee may leverage funds and/or adjust ADMIN budget line items without passage of related COG resolutions. Conversation on this matter was tabled at the 1/23/2017 meeting to rework the thresholds and purchasing authorities. The proposal discussed today would give the Finance Committee the authority to reallocate up to 50% of the total of any ADMIN budget line item obligation. Members of the Finance Committee found this proposal agreeable.
 - ii. Referencing Agenda Attachment “2016-2017 Area 2 Administration Budget,” Brian Nelsen expressed that WIOA Program purchasing authorities should also be established. He suggested establishing an upper limit of \$50,000.00, under which the Finance Committee would be authorized to make adjustments to obligated WIOA Program Funds used for contracted services. Members of the Finance Committee found this proposal agreeable.
 - Burns cautioned that the only WIOA Program contract in Area 2 that falls below \$50,000.00 is the County of Summit’s contract with Hattie Larlham.
 - iii. Burns suggested adding sub-thresholds and/or purchasing authorities under and within which the Executive Director may leverage funds and/or adjust budgets without convening a Finance Committee Meeting.
 - Nelsen expressed that as the body that recommends contract providers that the SAMWA COG ultimately executes agreements with, the WDB has no authority to enter into a contract on its own. As an employee of the COG, the Executive Director should be given powers to independently execute small contracts and to reallocate small amounts of WIOA Program and ADMIN funds. Referencing the County of Summit Board of Control’s threshold of \$5,000.00, under which and within contracts need not come before County Council for approval, Nelsen proposed limiting the Director’s authority to amounts not exceeding \$5,000.00.
 - ❖ Marshall cautioned that Summit County’s current maximum ITA grant amount is \$6,000.00, and, as stipulated in the Regional plan, will soon increase to \$8,000.00. She suggested a purchasing authority/reappropriation threshold level to accommodate the reallocation of funds in amounts reflective of the actual cost of WIOA services.
 - Nelsen suggested the following purchasing authorities for the Director and Finance Committee related to purchased utilizing WIOA Program and ADMIN funds:

ENTITY	PURCHASE AUTHORITY - WIOA PROGRAM & WIOA ADMIN FUNDS
Executive Director	Authority to sign for purchases or agreements with annual cumulative expenses by vendor/provider up to \$10,000.00
Finance Committee	Authority to sign for purchases or agreements with annual cumulative expenses by vendor/provider ranging from \$10,000.00 to \$50,000.00
SAMWA COG	Purchases or agreements with annual cumulative expenses in excess of \$50,000.00

Further, Nelsen suggested the following reallocation thresholds for the Director and Finance Committee related to the reallocation of ADMIN funds:

Admin Budget Line Item	Executive Director’s Reappropriation Authority	Finance Committee’s Reappropriation Authority
Salaries	Up to \$5,000.00 (flat amount)	Up to \$10,000.00 (flat Amount)
Benefits	Up to 25% of total budgeted amount	Up to 50% of total budgeted amount
Travel Expenses	Up to 25% of total budgeted amount	Up to 50% of total budgeted amount
Contract Services	Up to 25% of total budgeted amount	Up to 50% of total budgeted amount
Operations	Up to 25% of total budgeted amount	Up to 50% of total budgeted amount

SUMMIT/MEDINA WORKFORCE DEVELOPMENT BOARD (WDB)

- Members of the Finance committee agreed to these proposals. Burns expressed that she would draft a document related to this proposal which will be presented to the SAMWA COG at their 3/6/2017 meeting.
- Discussion of Fiscal Review Professional Service Agreement and Administrative Agreement
 - i. Nelsen updated the Finance Committee on the status of the professional service agreement with accounting firm Rea & Associates. An estimate for the cost of services was presented to the SAMWA COG at their 1/25/2017. Based upon the quote, the contract executed with Rea & Associates is for an amount not to exceed \$7,000.00. The cost will be incurred by the County, not Area 2.
 - ii. Bissell inquired about the status of the Administrative Agreement between the SAMWA COG and the County of Summit as proposed at the Regular WDB meeting held on 1/25/2017.
 - Marshall expressed that the agreement is currently being drafted by Nelsen and Deborah Matz, Law Director, County of Summit Executive's Office. It is expected that the Agreement will be ready for presentation to the SAMWA COG at their 3/6/2017 meeting.

E. NEW BUSINESS

- Discussion of the Executed Office Lease and items purchased for Area 2 staff
 - i. Marshall expressed that Summit County Council approved a lease between the County of Summit Executive's Office and the SAMWA COG to provide Area 2 staff with office space in Summit County at a rental rate of \$1.00 annually.
 - ii. Burns provided an update on quotes for items and/or items purchased to support the functions of Area 2's staff. Excluding the Microsoft Office 365 subscription, three quotes were gathered for each item. Burns agreed to send a list of all purchases after the meeting to the members. Items addressed included:
 - Microsoft Office 365 Subscription – \$274.00 annually per person (approx. \$822.00 total);
 - Acrobat Software – \$1,100.02 total;
 - 3 Dell Laptops & 6 Computer Monitors – \$4,002.00;
 - Konica Minolta c258 Copier – \$4,600.00 (purchased rather than leased), and;
 - Installation of Fiber for Incorporation into the City of Akron's IT infrastructure – \$2,540.00.
 - ❖ Bissell asked about the expense of installing fiber and if the amount quoted reflects the cost of incorporating Area 2's staff into the State's IT infrastructure.
 - ❖ Marshall expressed that since Area 2 Staff is employed by the COG, it will not be linked to any State systems. In order to link into the County of Summit's internet and the City of Akron's IT infrastructure, fiber installation is required.

F. GOOD OF THE ORDER

- None

G. MEETING ADJOURNMENT

- Jeff Bissell motioned to adjourn the meeting with Derrig. The meeting adjourned at 9:17 AM.

*Respectfully submitted,
Daniel Grantham, Executive Assistant
Summit County Department of Job & Family Services*